GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:595
ANSWERED ON:25.11.2005
MISLEADING ADVERTISEMENT BY COMPANIES
Pathak Shri Brajesh

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether misleading advertisements are issued by the companies for attracting customers during the festive season fall within the ambit of unfair trade practices under the Monopolies and Restricted Trade Practices;

(b) if so, the details thereof;

(c) whether the MRTP has taken action against the companies in the matter of issuing misleading advertisements to attract the customers during festive seasons; and

(d) if so, the details of the last three years in this regard till date including names of the companies?

Answer

MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) & (b) Misleading advertisement issued by the companies for attracting customers during the festival season fall within the ambit of Unfair Trade Practices under section 36A of the Monopolies and Restrictive Trade Practices Act, 1969.

(c) & (d) During the past three years, the Monopolies and Restrictive Trade Practices Commission, instituted three enquiries for issuing misleading advertisements for attracting customers during the festival season. The details of these enquiries are given in the statement annexed.

Annex

STATEMENT REFERRED TO IN ANSWER TO PART (C) AND (D) OF LOK SABHA UN-STARRED QUESTION NO. 595 FOR ANSWER ON 25.11.2005.

Sl. No.	Name of the Company	Brief subject matter	Present status
1.	Spectrum Magazines Limited.	The scheme promoted by the respondent titled `A&M Mega Diwali Offer` offering various gifts and prizes.	The matter is listed on 07.12.2005 for further proceedings.
2.	M/s. Amba Jewellers.	The advertisement issued by the respondent, on the eve of Karva Chauth up to Diwali offering gold at wholesale rate at retail outlet Rs.5790/- per ten grams and other prizes.	The Commission issued an interim injunction restraining the respondent from continuing with the same or similar advertisement in any form. The matter is listed on 17.01.2006 for further hearing.
3.	L.G. Electronics India Private Limited.	The scheme promoted by the respondent company titled `MANGAL HI MANGAL OFFER THIS DIWALI`.	The Commission issued an interim injunction restraining the respondent from republishing/continuing the said or similar advert-isements in any form and in any media with immediate effect in any form until further orders. The matter is listed for further hearing on 14.12.2005.